

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0230-02
Bill No.: HCS for HB 132
Subject: Insurance - Medical; Insurance Department
Type: Original
Date: March 18, 2013

Bill Summary: This proposal changes the laws regarding health insurance coverage and contracts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	(\$90,000)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$90,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Oversight Division** assume three actuarial studies are being mandated by the legislation: 1) an analysis of the impact to health carriers, 2) an analysis of the impact to insureds with a health benefit plan, and 3) an analysis of the impact to other private and public payers. Each actuarial analysis is limited to a cost of \$30,000. Therefore, Oversight assumes the fiscal impact of this proposal will be a cost of \$90,000 to General Revenue for FY 14.

Officials from the **Missouri Consolidated Health Care Plan** assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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GENERAL REVENUE FUND

Costs - Oversight Division of the Joint
Committee on Legislative Research
§376.1192 Actuarial studies

	<u>(\$90,000)</u>	<u>\$0</u>	<u>\$0</u>
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ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND

	<u>(\$90,000)</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Beginning September 1, 2013, the proposal requires the Oversight Division of the Joint Committee on Legislative Research to conduct an actuarial analysis of the cost impact to insureds with a health benefit plan, health insurers, and other private and public payers if state mandates

HWC:LR:OD


FISCAL DESCRIPTION (continued)

were enacted to provide health benefit plan coverage for the diagnosis and treatment of eating disorders. The analysis should assume that the treatment includes medically necessary residential treatment and access to medical treatments recommended by medical and mental health care professionals, including but not limited to psychological services, nutrition counseling, physical therapy, dietitian services, medical monitoring, and psychiatric monitoring. The division director must submit a report of the actuarial findings to the Speaker of the House of Representatives, President Pro Tem of the Senate, and the chair of the House Special Committee on Health Insurance and the Senate Small Business, Insurance and Industry Committee by December 31, 2013. The analysis must assume that the mandated coverage will not be subject to any greater deductible or copayment than other health care services provided under a health benefit plan and will not apply to a supplemental insurance policy. The cost for each actuarial analysis cannot exceed \$30,000. The provisions regarding the actuarial analysis expire December 31, 2013.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Consolidated Health Care Plan
Joint Committee on Legislative Research -
Oversight Division



Ross Strope
Acting Director
March 18, 2013